

## Message Text

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PAGE 01 RANGOO 02695 280939Z  
ACTION SNM-05

INFO OCT-01 EA-10 ISO-00 AID-05 DEAE-00 ARA-10 /031 W  
-----119174 280940Z /23/16  
P 280446Z JUL 78  
FM AMEMBASSY RANGOON  
TO SECSTATE WASHDC PRIORITY 5701  
INFO AMEMBASSY MANILA PRIORITY

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C O R R E C T E D C O P Y (TEXT)

SECSTATE FOR S/NM

MANILA FOR USAID CONTRACTING OFFICER

E.O. 11652: N/A  
TAGS: SNAR, BM  
SUBJECT: INC FUNDED CONTRACTS

REF: (A) STATE 184253, (B) STATE 184911, (C) MANILA 12504,  
(D) RANGOON 2658

1. PER PARA 2 REFTEL B, DEPARTMENT'S UNDERSTANDING IS CORRECT REGARDING F-27 IRAN AND ENGINE OVERHAUL. CONTRACTOR IS REQUIRED TO PROVIDE FIRM COST ESTIMATE PRIOR TO AUTHORIZATION TO BEGIN WORK. ESTIMATE USD 163,000 REMAINS UNCOMMITTED IN CONTRACT 1501 ("E") SYSTEMS WHICH SHOULD COVER GROUNDED AIRCRAFT PARTS REQUIREMENTS (AOG) AND URGENT ORDERS (URR) FOR FH-227 AIRCRAFT THRU CURRENT FY. HOWEVER, THIS WILL REQUIRE OPERATING WITHOUT INITIAL FH-227 SPARES ON SHELF IN RANGOON, WHICH WILL RESULT IN REDUCED OPERATIONALLY READY RATE.

2. BELL 205 REPAIR FIRM ORDER. HOWEVER, IF REQUIRED AND FUNDS CANNOT BE MADE AVAILABLE (AIRCRAFT NOW IN TRANSIT  
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TAIWAN), CAN ISSUE STOP WORK ORDER UNTIL FY 79 FUNDS BECOME AVAILABLE.

3. REGARDING ONTRACT III, ORDER PLACED BY BAF CONTRACTING OFFICERS REPRESENTATIVE (COR). THIS IS CONTINUATION OF A PROJECT APPROVED BY S/NM UNDER WHICH TWO ONTRACT III UNITS WERE RETURNED TO THE USG FROM THE MEXICAN PROGRAM,

REHABILITATED AND TRANSFERRED TO THE BURMA PROGRAM FOR EXPERIMENTAL PURPOSES. ONE UNIT WAS INSTALLED IN A BELL 205 AND ONE UNIT INSTALLED IN A FH-227. THE BAF EVALUATED THE ONTRAC III AS WELL AS UNITS FURNISHED BY GLOBAL NAVIGATION (GNS 500) AND CHOSE THE ONTRACT III AS BEING THE MOST EFFECTIVE. THEY THEN PLACED ORDERS FOR ONE UNIT TO BE INSTALLED IN EACH AIRCRAFT. HAD WE BEEN SURE OF THE UNIT'S EFFECTIVENESS, IT WOULD HAVE BEEN INCLUDED IN THE AIRCRAFT SPECIFICATIONS AT TIME OF PURCHASE. HOWEVER, IN SINGLE LOTS THE UNIT WOULD COST USD 40,000.

4. THIS NAVIGATION SYSTEM IS NECESSARY IN BURMA SINCE THERE ARE NO RELIABLE GROUND BASED NAVIGATIONAL FACILITIES. IT IS PARTICULARLY IMPORTANT IN THE BURNING SEASON (JAN - MARCH) WHEN VISIBILITY IS ALMOST ZERO DUE TO THE SMOKE IN THE AIR AND IN THE MONSOON SEASON WHEN CLOUDS OBSCURE THE GROUND AND DEAD RECONING IS IMPOSSIBLE.

5. IN ADDITION TO NAVIGATION, THE SYSTEM PERFORMS OTHER FUNCTIONS. THIS SYSTEM ALLOWS RECON AIRCRAFT TO VISUALLY LOCATE POPPY FIELDS, CARAVANS, SHIPPING, AND POTENTIAL LABS, AUTOMATICALLY OBTAIN COORDINATES (LATITUDE AND LONGITUDE) AND PASS THESE COORDINATES TO TROOP CARRYING AIRCRAFT -- WHICH BY INSERTING THE COORDINATES INTO THE COMPUTERS IN THE ONTRACT III SYSTEMS, CAN PROCEED DIRECTLY TO THE SPOTTED TARGETS.

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6. WE BELIEVE CONTRACT 1504 (HELI-ORIENT) ALREADY PERMITS FOR PROCUREMENT OF THESE SYSTEMS AS THEY ARE CLASSIFIED AS AIRCRAFT AVIONICS. PROCUREMENT THRU THIS CONTRACT WOULD PROBABLY RESULT IN SAVINGS TO USG SINCE THE CONTRACTOR IS AUTHORIZED DEALER AND WILLING TO PASS ON SOME OF HIS DISCOUNT FROM MANUFACTURER. IF PROCURED THRU GSA USG WOULD MOST LIKELY PAY LIST PRICE OF USD 40,000 EACH.

7. IF NO ADDITIONAL FUNDING AVAILABLE AND S/NM AGREES, RECOMMEND WE PROCEED AS SUGGESTED PARA 3 REF C.  
BEAN

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 28 jul 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Film Number:** D780347-0333, D780309-0698  
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**Office:** ACTION SNM  
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**Original Handling Restrictions:** n/a  
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**Review Date:** 03 may 2005  
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**Review Exemptions:** n/a  
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**TAGS:** SNAR, BM  
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